

# Indigenous Pillar

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## Introduction

### What is the Indigenous Pillar

The colonial history of this land now known as Canada has led to hundreds of years of violence and trauma for Indigenous communities. Organizations are recognizing that this historical context has resulted in deeply entrenched systemic issues that have and continue to present major barriers for Indigenous peoples. Indigenous procurement can be one of many urgently needed tools to support Indigenous communities, build economic reconciliation and enable cultural safety with and for Indigenous peoples.

Indigenous procurement promotes reconciliation through contracting and subcontracting with Indigenous businesses, increasing employment and skills development opportunities for Indigenous peoples, and reducing barriers for Indigenous participation in public spending in alignment with the Government of Canada's Truth and Reconciliation Commission's Call to Action 92, Business and Reconciliation, and the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP).

### Indigenous Risks / Opportunities

#### **1. Indigenous Economic Development**

Support socio-economic resilience, including contracting, sub-contracting, capacity building, wellness and other workforce development opportunities for Indigenous peoples and communities. Find ways to foster Indigenous traditions and culture through purchasing and associated engagement activities.

#### **2. Indigenous Rights**

Uphold the rights of Indigenous peoples by enabling Indigenous participation in matters that affect their lives, including ensuring free, prior, and informed consent (FPIC) from Indigenous peoples and complying with UNDRIP.

## Legislative Context

### Trade Agreements

Indigenous procurement is acknowledged specifically within Trade agreements in a way that allows for Indigenous set-asides for over threshold procurements. Specifically, CFTA<sup>1</sup> and CETA<sup>2</sup> permit exceptions that enable public institutions to implement measures to support Indigenous peoples, including preferential procurement programs. This [Federal Government webpage](#) outlines additional Indigenous reservations and exemptions within international Trade Agreements.

### United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP)

An international instrument adopted by the United Nations General Assembly in 2007, affirming the collective and individual rights of Indigenous peoples around the world. It emphasizes their rights to

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<sup>1</sup> Chapter 5 Government Procurement, Annex 520.1

<sup>2</sup> Chapter 19 Government Procurement, Annex 19-7 General Notes, Article 1(2)(a)

culture, identity, language, employment, health, education, and more. UNDRIP establishes a universal framework of minimum standards for the survival, dignity, and well-being of Indigenous peoples.

### Truth and Reconciliation Commission (TRC)

Established to address the legacy of the residential school system and to promote reconciliation between Indigenous and non-Indigenous Canadians. The TRC's final report, released in 2015, includes 94 Calls to Action, many of which align with the principles of UNDRIP.

- **Call to Action #43:** Calls on all levels of government to fully adopt and implement UNDRIP as the framework for reconciliation.
- **Action #92:** Addresses the business sector and its role in advancing reconciliation. The call to action encourages Canadian corporations to adopt UNDRIP as a framework for reconciliation and to ensure that Indigenous peoples benefit equitably from economic development projects. To support this, businesses can work with Indigenous communities to collectively envision what equitable benefits from development projects would look like, identify the current state, and then map a path towards enabling those benefits.

### Federal Indigenous Procurement

The Canadian Federal Government has set a target to allocate at least 5% of federal contracts to Indigenous led businesses.

## Implementation Best Practices

### Supplier Engagement

Building relationships with local Indigenous communities, Band Councils, Indigenous businesses, or other associations is one of the most critical pieces to Indigenous procurement. It's important to better understand the local Indigenous population, their businesses, and their capacity to meet procurement needs, while also raising their awareness of and ability to participate in public procurement opportunities. This can be done through attending (by invitation) powwows and other cultural events, hosting or attending tradeshow, forming an advisory committee, and hosting information sessions or training workshops for Indigenous businesses. Lastly, providing a direct and consistent contact for inquiries can enhance trust and ongoing communications.

#### **Increase Impact Through Collaboration!**

Identify and collaborate with other staff at the College who may be working on these objectives (ex. the Indigenous Relations team) to align procurement with current corporate goals and break down silos.

Ensure that Indigenous businesses and communities are made aware of upcoming opportunities via notification boards or direct invitations. For larger opportunities, consider providing a list of anticipated contracts each fiscal year within specific communities to Indigenous governments, businesses, and people, enabling effective planning for local projects, before they're posted.

### Procurement Mechanisms

To enhance Indigenous procurement, organizations can employ several strategies:

- **Incorporate into under-threshold sourcing:** Check for a viable Indigenous business, via CCIB, the Federal registry, or local Indigenous business listings via a Chamber of Commerce, Band Council, or Economic Development Corporation. Aim to invite at least one Indigenous supplier to bid.
- **Incorporate into Competitive RFX:** Include questions and allocate points to Indigenous led businesses, suppliers who provide employment opportunities for Indigenous peoples, and those with policies or practices that advance reconciliation.

- **Indigenous Set-asides:** Reserve (or “set aside”) certain contracts exclusively for competition among qualified Indigenous businesses, where capacity exists. Establish the rules and requirements for Indigenous set-asides in a Policy or strategy. The Federal Government has adopted [three types](#): mandatory, voluntary, and conditional set-asides.
- **Bid Value Reductions (BVR):** A mathematical method to re-ranks bids to boost the competitiveness of Indigenous submissions by reducing the dollar value (for evaluation purposes) based on factors like Indigenous business ownership, location, and labor levels.
- **Project Unbundling:** Break down larger contracts into smaller bid opportunities that are more feasible for Indigenous businesses, which tend to be small and medium-sized enterprises (SMEs).
- **Reduce paywalls and financial pre-requisites:** Ensure procurement opportunities are free to view and bid on and considering lowering required insurance amounts or other legal/fiscal requirements that may be difficult for Indigenous businesses to meet (as SMEs).

### HIPO Matchmaking

As you develop your High Impact Procurement Opportunities (HIPO) list, identify the procurement categories that match-up best with the goods and services being offered by local Indigenous businesses. Flag these categories either for set-asides, or simply ensure to notify and invite those Indigenous business to bid whenever opportunities in those categories arise.

### Measurement

Organizations should put in place methods for Indigenous led businesses to identify themselves, across a breadth of criteria including Indigenous leadership and ownership, so there is data to track. This can be done during the new-supplier registration process and/or during the bidding process. Such identification is crucial for accurate data tracking and understanding the impact of procurement policies on Indigenous businesses. Example KPIs:

- **Percentage of Spend/Contracts:** Track the percentage of total spend or contracts awarded to Indigenous led businesses.
- **Supplier Demographics:** Track the percentage of suppliers who are Indigenous led.
- **Participation vs. Success:** Measure the percentage of Indigenous led businesses that participated in bidding versus those that won contracts.
- **Employment Impact:** Track the number of contracts awarded to suppliers providing employment and the number or percentage of Indigenous jobs created (specific to projects).

### Verifying Indigenous Businesses

One challenge that many buying institutions face, is verifying the validity of Indigenous led business claims. While some organizations choose to only accept certified Indigenous businesses (for example certified through [CCIB](#) or [CAMSC](#)); however, the cost of certification remains a significant barrier for many suppliers. Other ways to verify Indigenous businesses include checking on the [Federal Government Registry](#), with the local First Nations Band, local chambre of commerce, or others like the [York U Social Business List](#) and [SFNS Business Directory](#).

If an Indigenous business cannot be verified by one of the aforementioned sources, then they may self-attest and you can ask them to otherwise prove their Indigeneity. This might involve asking to view a copy of a Status Card or requiring the supplier to sign a legal document, with contracts potentially held or terminated if false information is discovered.

## Glossary of Key Terms

**First Nations:** Indigenous peoples in Canada who are not Métis or Inuit. They are recognized as distinct nations with unique cultures, languages, and governance structures.

**Indigenous Led Business:** Businesses that are at least 51% owned, managed and/or controlled by Indigenous peoples (First Nations, Inuit or Métis and ordinarily reside in Canada). NACCA is a leading authority providing information about and [defining Indigenous businesses](#).

**Indigenous Business Directory:** Lists Indigenous-owned businesses and enterprises across various sectors, promoting economic opportunities and partnerships with Indigenous communities.

**Indigenous Peoples:** Refers collectively to the First Nations, Métis, and Inuit peoples of Canada, who have distinct cultural, historical, and political identities.

**Land Acknowledgement:** A formal statement recognizing and respecting the traditional territory of Indigenous peoples, typically spoken at the beginning of public events or gatherings.

**Red Washing:** The exploitation or manipulation of Indigenous symbols, cultures, or identities for marketing, political, or other purposes without genuinely supporting Indigenous rights or communities.

**Traditional Territory:** The geographical area that Indigenous peoples traditionally occupied and used for subsistence, cultural practices, and spiritual activities.

**Treaty Rights:** Rights that Indigenous peoples in Canada hold as a result of treaties negotiated with the Crown (government). These rights include land rights, hunting and fishing rights, and other privileges agreed upon in treaties.